



DEPARTMENT OF LABOR

Employment and Training Administration

Federal-State Unemployment Compensation Program: Notice of Federal Agency with Adequate Safeguards to Satisfy the Requirements of the Federal Regulation on Confidentiality and Disclosure of Unemployment Compensation Information

AGENCY: Employment and Training Administration, Labor.

ACTION: Notice of Federal agency with adequate safeguards.

SUMMARY: In this notice, the Department of Labor (Department) recognizes that the United States Census Bureau (Census) has in place safeguards adequate to satisfy the requirements of the Federal regulation on the confidentiality and disclosure of unemployment compensation (UC) information. As a result, the safeguards and security requirements enumerated in the regulation do not apply to disclosures of confidential unemployment compensation information by state UC agencies to Census for the Longitudinal Employer Household Dynamics (LEHD) program.

FOR FURTHER INFORMATION CONTACT: Agnes Wells, Program Specialist, Office of Unemployment Insurance, Employment and Training Administration, (202) 693–2996 (this is not a toll-free number) or 1–877–889–5627 (TTY), or by e-mail at Wells.Agnes@dol.gov. Or Daniel Hays, Supervisory Program Specialist, Office of Unemployment Insurance, Employment and Training Administration, (202) 693–3011 (this is not a toll-free number) or 1–877–889–5627 (TTY), or by e-mail at Hays.Daniel@dol.gov.

SUPPLEMENTARY INFORMATION: The Employment and Training Administration (ETA) interprets Federal law requirements pertaining to UC programs. ETA interprets section 303(a)(1) of the Social Security Act to require states to maintain the confidentiality of certain UC information. The regulations at 20 CFR Part 603 implement this confidentiality requirement. 20 CFR 603.9 requires States and State UC agencies to ensure that recipients of confidential UC

information have certain safeguards in place before any confidential UC information may be disclosed. Section 603.9(d) provides that States are not required to apply these safeguards and security requirements to a Federal agency which the Department has determined, by notice published in the Federal Register, to have in place safeguards adequate to satisfy the requirements of 20 CFR 603.9.

The authority for Census to enter into state data sharing agreements is 13 U.S.C. § 6, which permits Census to access, by purchase or otherwise, information to assist in the performance of its official duties. Under this authority, Census aims to improve labor market data infrastructure and develop products for better understanding of the dynamics of the U.S. labor market to meet the broad objectives of the LEHD program. This research provides important data to support Census programs including the Master Address File, current demographic and economic survey and census operations, the Intercensal Estimates Program's population and housing estimates, and related census and survey program improvements.

Under the Local Employment Dynamics (LED) Partnership, confidential data is received by Census and processed within its Economic Directorate, with complementary research and product development conducted within the Research and Methodology Directorate. The LED Partnership is comprised of U.S. States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and eligible U.S. territories when the entity enters into an agreement with Census.

To disclose confidential UC information to Census for purposes of the LEHD program, State UC agencies are currently required to enter into an agreement with Census that includes the safeguards and security requirements of 20 CFR 603.9. Census has advised the Department that securing a determination under 20 CFR 603.9(d) would be of great value as an independent assurance of data security, thus providing additional peace of mind and confidence to data providers, researchers, and policymakers.

The Department has determined that for purposes of the LEHD program, the methods and procedures employed by Census for the protection of information received from members of the

LED Partnership meet the requirements of 20 CFR 603.9. Census complies with all current NIST standards and publications in accordance with Title III of the E-Government Act of 2002 (Public Law 107-347). Access to the information is strictly controlled and monitored by both physical and electronic means, limited to authorized Census staff and contractors who have signed a Sworn Oath of Nondisclosure, and not available to any third party. Information is expunged from Census systems when the purpose for the disclosure is finished. In addition, Census maintains a system sufficient to allow for audits and inspections and complies with OMB Memorandum M-17-12 with regard to the reporting of, and response to losses of protected information.

With this notice, the Department recognizes that Census has in place safeguards adequate to satisfy the requirements of 20 CFR 603.9. Thus, pursuant to 20 CFR 603.9(d), the safeguards and security requirements of 20 CFR 603.9 do not apply to disclosures of confidential UC information to Census for purposes of the LEHD program.

This notice is published to inform the public of the Department's determination with respect to this agency.

Angela Hanks,
Acting Assistant Secretary for Employment and Training, Labor.

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